



[6705-01-P]

FARM CREDIT ADMINISTRATION

Market Access Agreement

AGENCY: Farm Credit Administration

ACTION: Notice of approval of the Draft Second Amended and Restated Market Access Agreement

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SUMMARY: The Farm Credit Administration (FCA) announces that it has approved the Draft Second Amended and Restated Market Access Agreement (Draft Second Restated MAA) proposed to be entered into by all of the banks of the Farm Credit System (System or FCS) and the Federal Farm Credit Banks Funding Corporation (Funding Corporation). The Draft Second Restated MAA sets forth the rights and responsibilities of each of the parties when the condition of a bank falls below pre-established financial thresholds.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

The FCA published the Draft Second Restated MAA in the Federal Register on November 1, 2011 (76 FR 67440) with a request for public comment by December 1, 2011. No public comments were received on the Draft Second Restated MAA.

The Draft Second Restated MAA is an update to the Amended and Restated MAA that was approved by the FCA on April 10, 2003 and published in the Federal Register on April 21, 2003 (68 FR 19539). That 2003 agreement updated the original MAA approved by the FCA on August 17, 1994 and published in the Federal Register on August 23, 1994 (59 FR 4334).<sup>1</sup> The Amended and Restated MAA entered into in 2003 has a termination date of December 31, 2011. The Draft Second Restated MAA provides that it will go into effect on January 1, 2012, provided that certain conditions precedent have been satisfied, including FCA's approval of, and the Farm Credit System Insurance Corporation's (FCSIC) expression of its support for, the Draft Second Restated

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<sup>1</sup> On December 3, 2010, the FCA Board also approved amendments to the Amended and Restated MAA that would conform its provisions to the System banks' proposed Joint and Several Liability Reallocation Agreement (Reallocation Agreement) to ensure that the MAA provisions did not impede operation of the Reallocation Agreement; the amendments further provided that the MAA and the Reallocation Agreement are separate agreements, and invalidation of one does not affect the other. The FCA published those amendments in the Federal Register on December 9, 2010 (75 FR 76729).

MAA. The FCA announces that it has approved the Draft Second Restated MAA.

System banks and the Funding Corporation entered into the original MAA in September 1994, to help control the risk of each System bank by outlining each party's respective rights and responsibilities in the event the condition of a System bank fell below certain financial thresholds. As part of the original MAA, System banks and the Funding Corporation agreed to periodic reviews of the terms of the MAA to consider whether any amendments were appropriate.

The proposed Second Restated MAA retains the same general framework and most of the provisions of the Restated and Amended MAA, updated as necessary.

Having given the public notice and the opportunity to comment, the FCA Board hereby approves the Draft Second Restated MAA pursuant to sections 4.2(c), 4.2(d) and 4.9(b)(2) of the Farm Credit Act of 1971, as amended. The FCA's approval of the Draft Second Restated MAA is conditioned on the board of directors of each bank and the Funding Corporation approving the Draft Second Restated MAA. Neither the Draft Second Restated MAA, when it becomes effective, nor FCA approval of it shall in any way restrict or qualify the authority of the FCA or the FCSIC

to exercise any of the powers, rights, or duties granted by law to the FCA or the FCSIC. Finally, the FCA retains the right to modify or revoke its approval of the Draft Second Restated MAA at any time.

Date: \_December 9, 2011\_

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Dale L. Aultman,  
Secretary,  
Farm Credit Administration Board.

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